



WASHINGTON STATE PARKS & RECREATION COMMISSION  
FINANCE AND CONTRACTS

**CONTRACT OPPORTUNITY**

REQUEST FOR PROPOSAL

PROPOSALS WILL BE ACCEPTED FOR THE FOLLOWING:

**Pearrygin Lake State Park – Request for Proposals to Operate and Maintain the Bear Creek Golf Course in Winthrop, Washington**

**The purpose of this RFP is to provide the Washington State Parks and Recreation Commission (Commission) with proposals from qualified Bidders for operation and maintenance of the Bear Creek Golf Course in Winthrop, Washington.**

LOCATION:

**Pearrygin Lake State Park is located four miles northeast of Winthrop, Wash., in north central Washington.**

ESTIMATED BID RANGE: (If applicable) <b>None Given</b>	BIDS ACCEPTED THROUGH: <b>3:00PM</b>	DAY: <b>Monday</b>	DATE (MM/DD/YYYY): <b>07/31/2006</b>
<b>INFORMATIONAL MEETING::</b> <b>TIME: 10:00AM DAY: Thursday DATE: 07/13/2006 AT: Bear Creek Golf Course in Winthrop, Washington</b>			

**VOLUNTARY MWBE GOALS:** The following voluntary numerical MWBE participation goals have been established for this invitation: MBE 8% WBE 4%

These goals are voluntary, but achievement of the goals is encouraged. However, unless required by federal statutes, regulations, grants, or contract terms referenced in the contract documents, no preference will be included in the evaluation of bids, no minimum level of MWBE participation shall be required as a condition for receiving an award or completion of the contract work, and bids will not be rejected or considered non-responsive on that basis. Bidders may contact OMWBE at (360) 753-9693 to obtain information on certified firms.

The State reserves the right to accept or reject any or all proposals and to waive informalities.

The Washington State Parks and Recreation Commission is an affirmative action, equal opportunity employer. The successful bidder must abide by the Affirmative action and Equal Employment Opportunity policies of the Washington State Parks and Recreation Commission.

Sites may not be fully accessible to people with disabilities. Please contact the Commission at the phone numbers below at least five days prior to the scheduled dates if special accommodations are required for your attendance.

**PROJECT INFORMATION AVAILABLE FROM:**

**Washington State Parks and Recreation Commission  
Eastern Region Service Center  
Attn: Gary Long, RFP Coordinator  
2201 North Duncan Drive, Wenatchee, WA 98801-1007  
Phone: (509) 663-9729  
OR e-mail: gary.long@parks.wa.gov  
Telecommunication Device  
For the Deaf Number: Eastern Region (509) 664-3162**

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# STATE OF WASHINGTON

## Washington State Parks and Recreation Commission (Commission)

### Request for Proposals (RFP)

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<b>RFP Title:</b>	Pearrygin Lake State Park – Request for Proposals to Operate and Maintain the Bear Creek Golf Course in Winthrop, Washington
<b>RFP Purpose &amp; Intent:</b>	<p>The purpose of this RFP is to provide the Washington State Parks and Recreation Commission (Commission) with proposals from qualified Bidders for operation and maintenance of the Bear Creek Golf Course in Winthrop, Washington.</p> <p>As a result of the Bidder's responses to this RFP, the Commission may select the top scoring respondents for direct interviews. Release of this RFP does not obligate the State of Washington or the Commission to take any further actions.</p>
<b>Response Due Date:</b>	<p>This solicitation is open from <b><u>June 1 2006</u></b> through <b><u>July 31, 2006</u></b>.</p> <p>All responses must be sealed, whether mailed or hand delivered, must be received by the Commission no later than <b><u>3:00 PM Pacific Daylight Standard Time July 31, 2006</u></b></p> <p><b>Late, faxed or electronic responses <u>will not</u> be accepted.</b></p>
<b>Submit Response to:</b>	<p>Gary Long, RFP Coordinator Washington State Parks and Recreation Commission 2201 North Duncan Drive Wenatchee, Washington, 98801-1007</p> <p>Reference: Pearrygin Lake State Park – Operation and Development Exploratory for a Golf Course in Winthrop, Washington</p>
<b>Eligibility:</b>	The solicitation is open to those individuals, firms, or other organizations that satisfy the requirements stated herein.

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# **1 INTRODUCTION**

## **1.1 Introduction and Project Purpose**

Washington State Parks & Recreation Commission, hereinafter referred to as the “Commission” or “Agency,” is in the process of acquiring a golf course near Winthrop, Washington. The Bear Creek Golf Course (<http://www.bearcreekgolfcourse.com/>) is a nine-hole golf course that can be played as an 18-Hole course.

The closing date for the property acquisition is anticipated to be by September 8, 2006, subject to negotiations currently in progress. The agency would like to have an Operator available to begin operation of the golf course during the 2007 season and to become familiar with the operation of the course in 2006, while the current owner/operator is present. Bidders should be prepared to use a combination of his or her resources and golf course revenue to operate and maintain the golf course. The selected Bidder and Agency staff would negotiate a contract that includes payment of percentage with the Agency about the percentage of golf course revenue that would be paid to the paid to the Commission. .

A five-year concession contract is offered, beginning November 15, 2006 and subject to the terms and conditions contained in this official Request For Proposals (RFP). Additional copies of this RFP are available at [www.parks.wa.gov/contracting](http://www.parks.wa.gov/contracting). All bids must be responsive to the RFP to be considered, and must be delivered by the Official Bid Deadline.

## **1.2 Long-term plans**

A planning process for the larger state park, including the golf course area, is currently underway (see: <http://www.parks.wa.gov/plans/pear/>.) Some participants would like the Commission to expand the golf course. A preliminary staff recommendation has been made and may be found at the website above. The preliminary staff recommendation is subject to further review and a public comment period. Please note that since publishing the preliminary staff recommendations, water rights for the area have been questioned by members of the public. Further evaluation is needed.

Because of this uncertainty, the agency is first looking for an Operator that can manage the existing golf course. Subject to Commission decision, an Operator that could potentially expand the golf course and make other facility improvements might be desirable.

The Commission reserves the right to consider alternative uses of the non-golf course property other than a golf course expansion at any time. If State Parks’ staff determines that an expansion of the golf course is not feasible or places undue liability upon the agency.

# **2 THE BID PROCESS**

## **2.1 Contracting Authority**

Under the authority of RCW 79A.05.030(5), the Commission is empowered to grant concessions and leases for the provision of public accommodations, facilities, and services in state park areas. Any contract resulting from this RFP will be made only by written authorization from the Director, Washington State Parks and Recreation Commission, or designee, who reserves the right to reject any or all proposals.

## 2.2 Procurement Schedule

The schedule listed below contains estimated dates of the activities related to this Request for Proposals (RFP). In the event it is necessary to significantly revise any portion of the schedule, a written amendment will be issued to all respondents who have asked that the RFP Coordinator keep them informed about this project.

### Estimated Schedule of Events<sup>1</sup>

Item	Completion Date
Advertise Request for Proposals (RFP)	June 1, 2006
Pre-proposal conference at the golf course	July 13, 2006
Responses due	July 31, 2006, 3:00 P.M.
<b>Golf Course Bidder Evaluations</b>	
Phase 1 – Administrative Screening	August 1
Phase 2 – Scoring by Teams	August 2-4
Phase 3 – Interview with selected Candidates (if necessary)	August 7-11
Phase 4 – Reference Verification	August 14-18
Phase 5 – Executive Review	August 21- 25
Announce Apparent Successful Bidder	August 28
Commission reviews staff recommendations, listens to the public, and directs staff concerning the <i>long-term</i> golf course	August 24
State Parks acquires golf course <sup>2</sup>	September 8, 2006
Contract Negotiations & Signing	September 1 - 15
Subject to Commission decision on August 24, 2006, provide a proposal to State Parks' staff on the kinds of facility improvements that would be feasible	November 2009

## 2.3 Requirements for a Responsive Bid

To be responsive, bids must:

A) Be received in a sealed envelope or container at Washington State Parks Eastern Region Headquarters, 2201 North Duncan Drive. Wenatchee, Washington, 98801-1007 by 3:00 PM Pacific Daylight Savings Time July 31, 2006. Bids must be conspicuously endorsed with "Pearygin Lake State Park – Request for Proposals to Operate and Maintain the Bear Creek Golf Course in Winthrop, Washington – Due July 31, 2006.

B) Contain the completed Bid Exhibits enclosed herein, manually signed where indicated. Additional information sheets will be accepted.

C) Provide 5 total copies of proposal (i.e. signed original and four (4) photocopies).

D) Provide proposal electronically on 3.5 inch floppy disk or CD using Microsoft Word, Adobe Acrobat [PDF] or other software approved by State Parks. Proposal may be included in whole or in part into concession agreement, if awarded.

E) Materially respond to the terms and conditions of this RFP. Since material representations may form the basis for an award decision, they may be considered by State Parks to be binding offers on the part of bidders, and may be incorporated by reference into any final concession contract.

<sup>1</sup> The estimated schedule of events is based on an understanding of the current situation and changes may occur. The Commission may not be held to the estimated schedule.

Misrepresentations by bidders of material facts or terms may constitute grounds for rejection of bid proposal and/or termination of contract.

## **2.4 Pre-Proposal Meeting**

A pre-proposal meeting for bidders will be held at the Bear Creek Golf Course in Winthrop, Washington on July 13, 2006, at 10:00 a.m. An informational meeting will be followed by a tour of the golf course. Attendance is optional but strongly recommended, as the meeting can be a valuable way for State Parks and bidders to clarify information related to the bid opportunity. Any questions the bidder may have, after receipt and review of this RFP, should be forwarded to State Parks prior to the pre-proposal conference to assure that sufficient analysis can be made before an answer is given. The pre-proposal conference is for information only. Answers furnished during the conference are not official until verified in writing by State Parks. Matters discussed of a general nature that State Parks considers important for all bidders will be provided by mail to those bidders registered on the Official Bidders List for this RFP. After the pre-proposal meeting, questions about the RFP should be directed only to the RFP Coordinator.

## **3 THE FACILITIES**

### **3.1 Bear Creek Golf Course**

#### Current Operations

Located in the Methow Valley, Bear Creek Golf Course lies north of Twisp and southeast of Winthrop. The course offers 18 tees with the unique placement of 9 holes. Pull carts, golf cart and clubs are available to rent.

Other features include:

- Snack bar
- Pro shop
- Clubhouse

#### Competitive Analysis

There are two golf courses that are within a 50 mile driving radius of the Bear Creek Golf Course. Both courses are in Okanogan County. The nearest course, which is 45 miles driving distance from Winthrop, Washington is the Alta Lake Golf Resort located in Pateros. This course has 18 holes with on-site lodging and is very near Alta Lake State Park, which is a 181-acre camping park. The second course is 48 miles driving distance and is the Okanogan Valley Golf Club located in Omak. This course is similar to Bear Creek in that it is a 9-hole course with 2 tee boxes to allow for 18-hole play. In addition, The Lakewood Golf Course in Bridgeport, Washington, The Sun Lakes Golf Course in Sun Lakes State Park and the Surfside Golf Course on Long Beach all operate under lease agreement with Washington State Parks.

The following is a general comparison of the golf courses:

<b>Course</b>	<b># of Holes</b>	<b>Type</b>	<b>Annual Revenues**</b>
Bear Creek	9	Private *	\$300K
Alta Lake	18	Semi-Private	\$1M - \$2.5M
Okanogan	9	Public	< \$500K

\* This is based on Bear Creek's current operation.

\*\* Source: Reference USA

**The following is a comparison of fees associated with each golf course:**

Course	Greens fees			Cart Rentals		
	9 holes	18 holes	All Day	9 holes	18 holes	All Day
Bear Creek *	\$14	\$24 **	n/a	\$10	\$20 **	n/a
Alta Lake ***	\$17	\$27	\$35	\$14	\$24	\$35
Okanogan Valley	\$15	\$23 **	n/a	\$11	\$20 **	n/a

\* All fees are based on weekday play and for non-members. Bear Creek has a 12-14% surcharge for weekend play and a \$1-\$2 discount on cart rentals for members.

\*\* Bear Creek and Okanogan Valley reflect prices for playing 9 hole golf course with two different tee boxes, whereas Alta Lake is an 18 hole golf course.

\*\*\* Alta Lake also offers discounted golf packages that include lodging and golfing.

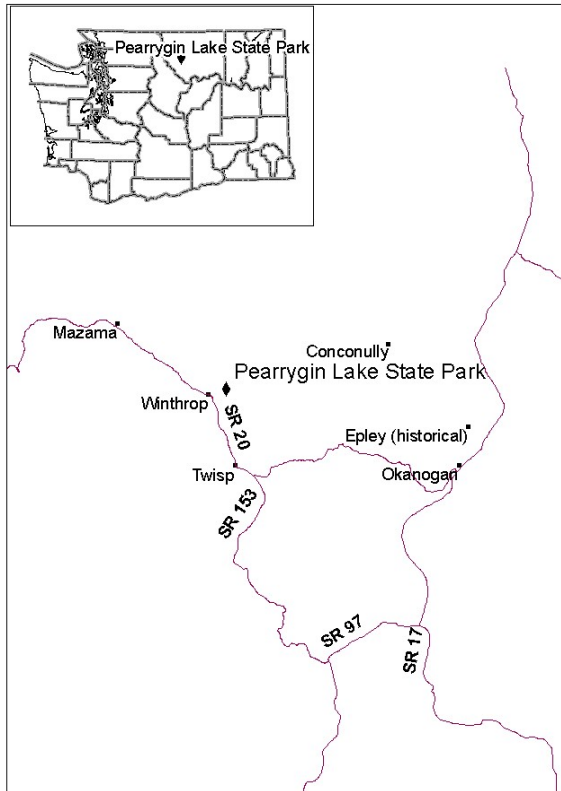
**The following is a comparison of the various services that are available:**

Course	Driving Range	Cart Rental	Equip. Rental	Pro Shop	Putting Green*	Food	Lounge	Lodging
Bear Creek	No	Yes	Yes	Yes	Yes	Snack Bar	Beer / Wine	No
Alta Lake	No	Yes	Yes	Yes	Yes	Café	Beer / Wine	Yes
Okanogan Valley	No	Yes	Yes	Yes	No	Snack Bar	Beer / Wine	No

\* The term putting greens is synonymous with practice green.

### 3.2 Pearrygin Lake State Park<sup>3</sup>

The Bear Creek Golf Course would be part of Pearrygin Lake State Park, which is a 779-acre camping park in the Methow Valley in north central Washington. The park features expansive green lawns leading to 11,000 feet of waterfront on Pearrygin Lake. The lake offers swimming, fishing and boating. Old willows and ash provide shade on hot summer days.



### 3.3 Methow Valley and Winthrop Information

The following documents are available and will be helpful to understand the Methow Valley

- The Washington Rural Development Council, *Community Assessment Report for the Town of Winthrop*, Washington, March 2005.
- North Central Washington Economic Development District, *Comprehensive Economic Development Strategy*, September 2004.
- Resource Dimensions, *Economic Impacts of MVSTA Trails and Land Resources in the Methow Valley*, July 2005. Found at: <http://www.mvsta.com/results.pdf>

### 3.4 Preliminary staff recommendations as of March 22, 2006 (see [http://www.parks.wa.gov/plans/pear/Stage%203%20-%20preliminary\\_recommendations.pdf](http://www.parks.wa.gov/plans/pear/Stage%203%20-%20preliminary_recommendations.pdf))

<sup>3</sup> State Parks website as of March 22, 2006, <http://www.parks.wa.gov/parkpage.asp?selectedpark=Pearrygin%20Lake>

A final staff recommendation will be presented to the Commission at its meeting in Chelan, Washington on August 24, 2006 for consideration. The Commission may approve, revise or reject the staff recommendation entirely.

## **4 GENERAL INFORMATION**

### **4.1 RFP Coordinator**

The RFP Coordinator is the point of contact for this procurement. All communication between Bidders and Commission, upon receipt of this RFP, shall be with the RFP Coordinator as follows:

<b>Gary Long, RFP Coordinator</b>	Email:	Gary.long@parks.wa.gov
Washington State Parks and Recreation Commission 2201 North Duncan Drive Wenatchee, Washington, 98801-1007	Phone:	509.663-9729
		FAX: 509.663-9754

Contact the RFP Coordinator if you have any questions or concerns regarding this procurement. Bidders are to rely on written statements issued exclusively by the RFP Coordinator. Communication directed to, or from, parties other than the RFP Coordinator will be considered unofficial and non-binding and will have no legal bearing on this RFP or subsequent actions.

### **4.2 Responsiveness & Responsibility**

All responses will be reviewed by the RFP Coordinator to determine compliance with administrative requirements and instructions as specified herein. Bidders are specifically notified that failure to responsively and responsibly comply with any part of the RFP may result in rejection of their response. The Commission reserves the right, however, at its sole discretion to waive minor administrative irregularities.

### **4.3 Commission Authority, Mission and Vision**

**Mission:** The Commission acquires, operates, enhances, and protects a diverse system of recreational, cultural, historical, and natural sites. The Commission fosters outdoor recreation and education statewide to provide enjoyment and enrichment for all and a valued legacy to future generations. To learn more about the Commission, visit our Internet website: <http://www.parks.wa.gov/>

**Vision:** In 2013, Washington's state parks will be premier destinations of uncommon quality, including state and regionally significant natural, cultural, historical and recreational resources that are outstanding for public experience, health, enjoyment and learning.

### **4.4 Proprietary Information**

It is a vital state interest to protect the integrity of the contracting process. As such, the Commission will not, in order to so protect, disclose any responses before a contract is signed. This will ensure fair competition without undue advantage to any Bidder leading to private gain and public loss.

Any document(s) or information which the Bidder believes is exempt from public disclosure (RCW 42.17.310) shall be clearly identified in their response and placed in a separate envelope marked with RFP number, Bidder's name, and the words "Proprietary Data" along with a statement of the basis for such claim of exemption. Marking of the entire response as "Proprietary" by the Bidder is not acceptable. The state's sole responsibility shall be limited to maintaining the above data in a secure area and to notify Bidders of any request(s) for disclosure within a period of five (5) years from date of award. Failure to so label such materials or failure to provide a timely response after notice of

request for public disclosure has been given shall be deemed a waiver by the Bidder of any claim that such materials are, in fact, so exempt. Confidentiality is available only to the limited extent allowed in state law. The Commission may choose to disclose despite information being marked as confidential.

It is understood that all responses received become part of the Commission's official procurement file without obligation to the responding Bidders.

#### **4.5 Notification List**

A list of private Bidders who have received notification of this RFP is available upon request from the RFP Coordinator.

#### **4.6 Minimum Qualifications**

To be qualified to respond and be considered responsive; Bidders must possess the capabilities as described below. Bidders must be or become licensed to do business in the State of Washington.

#### **4.7 Expected Result**

The purpose of this RFP document is to provide the Commission with a list of bidders that are interested and capable of operating and maintaining the Bear Creek Golf Course, while providing a source of revenue to the Commission. Subject to Commission decision, an Operator that could potentially expand the golf course and make other facility improvements would be desirable.

Some or all of the revenue that would go to the Commission may be deposited in a capital fund available to the Bidder to complete building projects, subject to Commission approval. The capital fund is subject to negotiation.

As a result of the responses to this RFP, the Commission may select the top scoring respondents and may interview one or more of them. The Commission reserves the right to commence negotiations immediately with the top scoring respondent or to not select any Bidder.

#### **4.8 No Obligation to Contract**

This RFP does not obligate the State of Washington or the Commission to contract for services specified herein. The Commission reserves the right at its sole discretion to reject any and all responses received without penalty and not to issue any solicitation document or contract subsequent to this RFP. Release of this RFP does not obligate the State of Washington or the Commission to take any further actions.

#### **4.9 Definitions and Acronym Glossary**

- A. **Agency / Commission:** The Washington State Parks and Recreation Commission is the agency of the State of Washington that is issuing this RFP.
- B. **Business Days and Hours:** Monday through Friday, 8:00 AM to 5:00 p.m., local time Wenatchee, Washington, except for holidays observed by the State of Washington.
- C. **OFM:** Washington State Office of Financial Management
- D. **Bidder:** Person(s) who responded to this RFP and has been determined to be qualified to provide services as described herein.
- E. **RCW:** The Revised Code of Washington (Washington State codified laws)
- F. **RFP:** The Request for Proposals is used as a solicitation document in this procurement, as well as all amendments and modifications thereto.
- G. **Operator:** Describes the qualified person(s) and employees selected through the RFP. It shall also include any Sub-Contractor retained by Operator as permitted under the terms of this RFP.

## 5 EVALUATION

The purpose of this RFP is to select a Bidder that can operate and maintain the current golf course. Acceptance of a Bidder's proposal, in a particular category at a particular skill level, shall reflect that the Bidder has:

- Submitted a responsive RFP proposal; and
- Has had no termination for performance deemed significant by the Commission in the past three- (3) years; and
- Been evaluated and scored against the criteria in this RFP; and
- Has sufficient and verifiable resources for performing the terms and conditions of the RFP; and
- Has satisfactorily passed a credit and criminal background check; and
- Achieved an overall evaluation score as one of the top scoring Bidders.

### 5.1 Evaluation Process and Criteria

After determining that a proposal satisfies the mandatory requirements stated in the RFP, a comparative assessment of the relative benefits and deficiencies of the proposal in relationship to the published evaluation criteria shall be made using subjective judgment. The award of a contract resulting from this RFP, if any, shall be based upon the bid judged most favorable to the state in accordance with the evaluation criteria stated below:

#### **A) Return to State Parks: 30% of award decision**

Bidders shall propose a return to the state based on a percentage of gross revenue (net tax) from sales to the public. Show the likely cash value to State Parks of the concession in terms of return on sales and minimum annual guarantee, as supported by clear, detailed, and plausible methodology. If the bidder anticipates that a capital fund set up to provide major improvements at the golf course is necessary, please include the amount that should be deposited in that fund. The feasibility of the proponent's proposed pricing schedule will be taken into consideration.

#### **B) Method of Operation: 30% of award decision**

This part of the award decision will be based upon both qualitative and quantitative offers made in Bidder's detailed Method of Operation narrative.

#### **C) Experience and Expertise: 40% of award decision**

Bidder shall thoroughly explain its organizational leadership structure on-site and off-site (if applicable). The backgrounds of all key personnel retained or contemplated, must be provided. Bidder shall also provide the names and telephone numbers and brief description of comparable golf course operations at which the bidder had a successful, relevant experience.

At its sole discretion, the Agency may require personal interviews with some or all bidders in order to clarify the responses. The bidder is cautioned that it is solely the bidder's responsibility to submit information related to the evaluation categories and that the Agency is under no obligation to solicit such information if it is not included with the bidder's proposal. Failure of the bidder to submit such information may cause an adverse impact on the evaluation of the bidder's proposal.

The Agency the right to consider historic information and fact, whether gained from the bidder's proposal, question and answer conferences, references, or any other sources, in the evaluation process. The bidder understands and agrees that by submitting a proposal, he or she permits the Agency to solicit such information, and also understands, agrees, and hereby permits those with such information to release such to the Commission. The Bidder also releases State Parks, it

employees and agents and the custodians of such records of all liability for damages which may result to him/her, their heirs, family or associates because of such release of information.

Historical revenues or activity levels at this concession may not reflect those of the future. All estimates of the revenue potential of this concession opportunity are the responsibility of the bidder.

## **5.2 Evaluation Team**

An evaluation team consisting of representatives from Commission staff and other Commission authorized personnel will perform the evaluation of the Bidder's responses. Responses will be evaluated strictly in accordance with the requirements set forth in this RFP and any amendments which may be issued.

## **5.3 Reference Checks**

Bidders shall include a minimum of three (3) references per line item indicated in the Statement of Qualifications (Attachment C). The same reference may be used for more than one line item. References should speak to the quality of the Bidder's previous work as well as their ability and capacity to deliver similar projects on time and within budget. Bidder's may also provide Internet websites that contain information regarding past or current projects that are related to this RFP.

The Commission reserves the right to obtain information concerning the Bidder's ability and capacity pertinent to this RFP from any and all sources, and to consider such information in evaluating the responses and selecting an Operator. It is the Bidder's responsibility to alert the references provided that they have been named as potential references under this RFP.

## **5.4 Notification to Bidders**

Notifications to Bidders will be E-mailed to all those responding to this RFP in a batch format according to the Procurement Schedule. Bidders shall provide an RFP Contact email address (reference Attachment A. Failure to provide RFP Contact email will prevent the Commission from including your firm in the initial notification process.

## **5.5 Debriefing**

All Bidders who submit a response, and were not selected, will be given the opportunity for a debriefing conference if requested. The request for a debriefing conference must be made in writing, including email, and received by the RFP Coordinator within five (5) business days after notification. Debriefing requests must be made to the RFP Coordinator. Debriefing requests made to any party other than the RFP Coordinator shall not be considered. A debriefing will be scheduled within ten (10) business days of the request. If additional time is required, the requesting party will be notified of the delay.

Discussion will be limited to a critique of the requesting Bidder's response. Comparisons between responses or evaluations of other responses will not be allowed. Debriefing conferences may be conducted in person or by telephone, and will be scheduled for a maximum of one (1) hour.

## **5.6 Appeal Process**

If prospective Bidders have any questions about the selection process at anytime, they are encouraged to contact the RFP Coordinator. At this RFP stage, decisions by the Agency will be final with no appeal process provided.

## EXHIBIT A

### Washington State Parks and Recreation Commission Bear Creek Golf Course Request for Proposals (RFP)

**PROJECT:** I agree to operate and maintain the Bear Creek Golf Course that is part of Pearrygin Lake State Park.

**TERM:** My services will commence on November 15, 2006 and expire November 14, 2011. Renewal (if any) may be based in part upon satisfactory performance and economic feasibility.

**SERVICES:** I will operate the golf course on a seasonal basis, some services routinely and others upon request as needed. Service will consist of providing as golf course operation and maintenance, food services, Pro-shop and general clubhouse operation. I have read, understand, and intend to comply with all sections of the sample concession lease provided as part of the RFP.

**RIGHT OF REJECTION:** I understand that the Director or designee, Washington State Parks and Recreation Commission, reserves the right to reject any and all bids.

**BID DEADLINE:** I understand that sealed proposals will be accepted until 3:00 PM Pacific Daylight Standard Time July 31, 2006 at Washington State Parks Eastern Region Headquarters, 2201 North Duncan Drive. Wenatchee, Washington, 98801-1007.

#### Bidder Information:

Signature of Person Legally Authorized to Bid: \_\_\_\_\_ Date: \_\_\_\_\_

Printed Name: \_\_\_\_\_ Title: \_\_\_\_\_ Company: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: (\_\_\_\_\_) \_\_\_\_\_ Fax: (\_\_\_\_\_) \_\_\_\_\_

E-mail address: \_\_\_\_\_

Contact Person, if different from above:

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: (\_\_\_\_\_) \_\_\_\_\_ Fax: (\_\_\_\_\_) \_\_\_\_\_

E-mail address: \_\_\_\_\_

**EXHIBIT B**

**Washington State Parks and Recreation Commission  
Bear Creek Golf Course  
Request For Proposals (RFP)**

**PRICING PAGE**

**RETURN TO STATE PARKS  
(30% of Award Value)**

**Guaranteed Minimum Return To State Parks on Gross Revenue from:**

**Golf Course Operation** \_\_\_\_\_%

**Food Service** \_\_\_\_\_%

**Pro-shop** \_\_\_\_\_%

**Capital Fund of improvements** \_\_\_\_\_%

**Other (please describe below)** \_\_\_\_\_%

\_\_\_\_\_ %

\_\_\_\_\_ %

\_\_\_\_\_ %

\_\_\_\_\_ %

Person Legally Authorized to Bid:

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

## EXHIBIT C

### Washington State Parks and Recreation Commission Bear Creek Golf Course Request For Proposals (RFP)

#### METHOD OF OPERATION (30% of Award Value)

Proposals will be evaluated based on the bidder's distinctive performance plan outlining equipment, personnel and management capability.

1. **Financial Plan.**

- A. Provide a pro-forma for the first year of operation, showing revenue, cost of sales, total payroll, all other operating expenses, and net income. Indicate the month in which you project profitability.
- B. Provide detail of the price structure assumed in the pro-forma. Show how it compares to the 2006 price structure at the golf course. Identify the degree to which it is different, and assess the impact of that difference upon the current clientele. Discuss the implications for marketing and operations.

2. **Business Plan** Submit narrative describing the proposed method of operation, products, events, hours and dates of operation and all other details that describe your plan to create a profitable business.

3. **Additional information.**

- A. A marketing plan for local and for non-local business.
- B. Management plans for pre-opening, transition, and Grand Opening.
- C. A plan for operation at full occupancy and at lower occupancy.
- D. A plan used successfully for forecasting revenue and for making mid-course changes.
- E. Describe your plan for annual financial audits or other controls to ensure accountability to State Parks and taxpayers.

4. **Operating Emphasis.** If not fully addressed in detail in #2 or #3 above, provide additional detail on the following operating areas:

- Production: Work standards for personnel and equipment
- Marketing: Customer relations, advertising, merchandising and promotions, public relations
- Sustainable Practices: Proposals should specify environmentally friendly practices and products whenever possible. The lessees experience with programs for water conservation, sustainable vegetation management and preserving wildlife habitat should be described. Additional information about environmental friendly practices can be found at [www.auduboninternational.org/projects/mlp/envioutcomesgolf.htm](http://www.auduboninternational.org/projects/mlp/envioutcomesgolf.htm)

- Safety: Including Safety Audits and Standards
- Quality Assurance: Course and Clubhouse Management, Food Preparation & Serving, Cleaning & Sanitation
- Evaluation programs: customer feedback systems, self-inspection programs, owner/ company management visits, procedure to review and ensure concession contract compliance, problem resolution process (including key personnel and timeframes)
- Business Administration: Organization's policy & procedures for financial controls (e.g. Internal Audit/Control, Billing, General Ledger System, and Accounts Receivable)

5. **Resource Emphasis.** For each of the functional areas below, please identify the following:

- A. The training or certification required of individual(s) assigned to these tasks
- B. The minimum performance standards expected from each position
- C. Number of FTE's (Full Time Equivalent) forecasted for each area

- Golf course maintenance
- Pro-shop operation
- Snack bar operation
- Management

6. **Site autonomy:** Management research has shown that corporate structures which unduly defer decision-making to regional or national offices adversely impact quality and innovation at the point of service delivery. Discuss this concern and provide specific examples of the authority to be delegated to the local unit, as well as the types of decision-making to be reserved to off-site authorities.

7. **Performance Metrics and Penalties:** Propose a schedule of other key performance measures to be monitored by concession management and State Parks. Bidders are invited to propose incentives for attainment and penalties for non-attainment of performance measures.

8. **Expansion to 18 Holes.** Respondent shall indicate whether he or she is interested in expanding the course to 18 holes at some time, as well as what criteria it would use to measure and determine the feasibility of such expansion, and how such an expansion would be financed.

## EXHIBIT D

### Washington State Parks and Recreation Commission Bear Creek Golf Course Request for Proposals (RFP)

#### FINANCIAL ABILITY TO PERFORM THE TERMS OF CONCESSION LEASE

Amount of Working Capital Projected needed in the first year of lease:

Purposes (specify categories):

1.	\$ _____
2.	\$ _____
3.	\$ _____
4.	\$ _____
TOTAL	\$ _____

Source(s) of required working capital:

1.	\$ _____
2.	\$ _____
3.	\$ _____
4.	\$ _____
TOTAL	\$ _____

I attest that I have (or that my company has) the financial resources needed to perform this concession lease. Evidence of possession of such resources will be produced to State Parks immediately upon demand.

Person Legally Authorized to Bid:

_____	_____
Signature	Date
_____	_____
Printed Name	Title

## EXHIBIT E

### Washington State Parks and Recreation Commission Bear Creek Golf Course Request for Proposals (RFP)

#### RFP BIDDER QUESTIONNAIRE and REFERENCES

Answer all questions in full, and attach additional sheets if necessary. Each material participant in this proposal must complete a questionnaire. The Washington State Parks and Recreation Commission may check credit, personal references, and other records to further establish qualifications and past history.

1. Bidder Information:

A. Bidder's Name: \_\_\_\_\_

B. Home Address: \_\_\_\_\_

C. Phone number: \_\_\_\_\_

D. Social Security or Federal Tax Number: \_\_\_\_\_

E. Driver's License Number: \_\_\_\_\_ State: \_\_\_\_\_

F. Education: \_\_\_\_\_

G. General Health: \_\_\_\_\_

H. Conviction Have you ever been convicted of a crime or placed on probation (except traffic misdemeanors)?  
\_\_\_\_\_ No \_\_\_\_\_ Yes If yes, please explain on an additional page and attach.

2. Provide detailed information for at least three (3) contracts you have successfully performed that are **very** similar to the work required under this RFP. Work in an employment capacity will also be considered. For each instance, provide the following information:

A. Name, address, and telephone number of contacting / hiring authority

B Contact person there

C. Dates of engagement

D. Job or service you provided

E. Manner in which the work is similar to that required under this RFP -- include financial, personnel, and other measures of scope and successful performance.

3. Describe your experience as a concessionaire for a governmental entity, and particularly for a parks department, if applicable. Describe lessons you have learned from working within that unique environment. If no such experience, describe the differences you expect to find in this environment. Describe the degree of your previous success in such environment, in terms of client and visitor satisfaction, financial management, managing a budget, and profitability. Address additional measures of success, as desired.

**EXHIBIT F**

**Washington State Parks and Recreation Commission  
Bear Creek Golf Course  
Request For Proposals (RFP)**

**BIDDER'S KEY PERSONNEL**

STAFF MEMBER

BACKGROUND AND EXPERTISE

1. Name\_\_\_\_\_

Title\_\_\_\_\_

Duties\_\_\_\_\_

Qualifications\_\_\_\_\_

2. Name\_\_\_\_\_

Title\_\_\_\_\_

Duties\_\_\_\_\_

Qualifications\_\_\_\_\_

3. Name\_\_\_\_\_

Title\_\_\_\_\_

Duties\_\_\_\_\_

Qualifications\_\_\_\_\_

4. Name\_\_\_\_\_

Title\_\_\_\_\_

Duties\_\_\_\_\_

Qualifications\_\_\_\_\_

## EXHIBIT G

**Washington State Parks and Recreation Commission  
Bear Creek Golf Course  
Request For Proposals (RFP)**

**AUTHORIZATION FOR RELEASE OF INFORMATION**

**TO WHOM IT MAY CONCERN:**

This is to certify that I authorize the Washington State Parks and Recreation Commission, or any authorized representative thereof bearing or furnishing this release, or a copy thereof, within one year of its date, to obtain any information in your files pertaining to arrests, charges, and disposition of such charges. I hereby direct you to release such information upon request of the bearer. This release is executed with full knowledge and understanding that the information is for official use of the Washington State Parks and Recreation Commission to furnish such information as described below, to third parties in the course of fulfilling its official responsibilities. I hereby release you, as custodian of such records, law enforcement officer, agency, or court, or other repository of records, including its officers, employees, or related personnel, both individually and collectively, from any and all liability for damages, which may result to me, my heirs, family or associates because of compliance with this authorization and request to release information, or any attempt to comply with it.

By my signature below I also authorize the Washington State Parks and Recreation Commission and its authorized agents to gather information on my credit history for the purpose of qualifying as a Contractor in a State Park.

I/we will defend and hold harmless the state of Washington, Washington State Parks and Recreation Commission, its agents, employees, and assigns from any and all claims arising from the release and use of such information.

Should there be any question as to the validity of this release, you may contact me as indicated below:

---

Full Name Printed

---

Date of Birth

---

Full Signature

---

Date Signed

---

Address

---

Social Security Number

---

Telephone Number

---

Fax Number

## EXHIBIT H

**Washington State Parks and Recreation Commission  
Bear Creek Golf Course  
Request For Proposals (RFP)**

**CERTIFICATE OF ASSURANCE**

I/we make the following certifications and assurances as a required element of the proposal to which it is attached, understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements are conditions precedent to the award or continuation of the related contract (s):

1. The service prices and consideration data have been determined independently, without consultation, communication or agreement with others for the purpose of restricting competition.
2. The attached proposal is a firm offer for one hundred eighty days – (180 days) or until execution of a concession contract, whichever first occurs, and it may be accepted by State Parks without further negotiation (except where obviously required by lack of certainty in key terms) at any time within such period.
3. In preparing this proposal, I/we have not been assisted by any current or former employee of State Parks whose duties relate (or did relate to this proposal, or prospective contract, and who was assisting in other than his/her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this proposal. (Any exception to these assurances are described in full detail on a separate page and attached to this document.)
4. I/we understand that State Parks will not reimburse me/us for any costs incurred in preparation of this proposal. All proposals become the property of State Parks, and I/we claim no proprietary rights to the ideas or writings contained in them.
5. I/we understand that any contracts awarded as a result of this Prospectus will incorporate general Terms and Conditions substantially similar to those set forth herein. I/we certify that I/we will comply with these or substantially similar General Terms and Conditions if selected as Concessionaire.
6. I/we understand that any person(s) selected as Concessionaire will be required to comply with state and federal nondiscrimination laws. I/we will, if requested by State Parks, submit additional information about the non discrimination and affirmative action policies and plans of this organization in advance of or after the contract award.
7. I/we understand that oral presentations are reserved by State Parks as a potential and valid part of the RFP evaluation process. State Parks retains the right to request the bidders to make a formal, oral presentation. State Parks Concessions Department will schedule any presentations required. Each bidder should be prepared to discuss and substantiate all areas of its proposal. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing bidders. The bidder shall be responsible for all of its costs associated with the presentation.

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Signature

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Title

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Date

---

Signature

---

Title

---

Date

## **EXHIBIT I**

**Washington State Parks and Recreation Commission  
Bear Creek Golf Course  
Request For Proposals (RFP)**

Washington State Department of Revenue  
Confidential Tax Information Authorization  
(Following Page)  
Must be Completed and Filed With State Parks

Available at:

[http://dor.wa.gov/Docs/Forms/Misc/ConfidentialTaxInfoAuth\\_E.pdf](http://dor.wa.gov/Docs/Forms/Misc/ConfidentialTaxInfoAuth_E.pdf)

## **EXHIBIT J**

### **Washington State Parks and Recreation Commission Bear Creek Golf Course Request For Proposals (RFP)**

#### **Supplemental Advice and Information**

In addition, the Bidder may provide, as an option solely at his or her own discretion, supplemental advice and information about the optimal approach for achieving the agency's project purposes. The agency has described the proposed conceptual scope of work for the project, but is open to other recommended approaches that will achieve agency purpose in a manner that is more efficient, effective, or hopefully both. The Bidder may submit, on a page labeled "Supplemental Bidder Advice and Information" any such recommended project approach, including golf course expansion. Any information provided in this section becomes State Parks property and may be used by the agency in assessing a prospective Bidder's qualifications.

## EXHIBIT K

Washington State Parks and Recreation Commission  
Bear Creek Golf Course  
Sample<sup>4</sup> Contract



WASHINGTON STATE  
PARKS AND RECREATION  
COMMISSION  
CONCESSION LEASE



**PEARRYGIN LAKE STATE PARK, Lease No. [to be assigned]**

THIS LEASE, by and between the WASHINGTON STATE PARKS AND RECREATION COMMISSION (hereinafter "State Parks") and [add name] (hereinafter "Lessee"), does hereby grant non-exclusive concession lease rights in Pearrygin Lake State Park in Okanogan County, Washington, SUBJECT TO the following terms and conditions:

**SPECIAL TERMS AND CONDITIONS**

1. **PURPOSE:** The purpose of this Concession Lease is for the Lessee to operate, maintain, repair and improve a nine-hole golf course that is part of Pearrygin Lake State Park in Okanogan County, Washington. In fulfilling the purpose of this contract, the lessee shall be bound by his or her bid proposal submitted in response to State Parks Request for Proposal dated (add date,) except as otherwise set forth herein. The lessee's bid proposal is included as Attachment A and referred to as the "operating plan," and by this reference incorporated into this lease agreement.
2. **TERM:** This lease shall commence on [add date], or the date of execution by State Parks, whichever is later, and terminate on [add date] unless terminated earlier under another provision hereof. This lease may be renewed for an additional five (5) year term, at State Parks' sole discretion.
3. **DESCRIPTION AND USE OF PREMISES:** The nine-hole golf course is called the Bear Creek Golf Course near Winthrop, Washington, and is situated primarily in Section 7 of Township 35 North, Range 22 East, W.M. as shown in Exhibit "A," attached hereto and made a part hereof, or such other locations and facilities as may be approved by State Parks, together hereafter referred to as the Premises. The Premises may be used only for the purposes described herein.
4. **OPERATION AND MAINTENANCE:** The lessee shall be responsible for complying with the provisions of his or her "operating plan" in accomplishing provisions of the operating plan. The lessee shall be responsible for all operation and maintenance of the entire gold course grounds, equipment, putting greens, golf shop, clubhouse and immediate surrounding areas, including all equipment, fencing, out buildings, storage and maintenance areas. The lessee

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<sup>4</sup> This contract is an example. State Parks and the lessee would negotiate terms of the contract after the bid is awarded.

shall furnish all supplies, equipment and materials of good quality and in the amounts necessary to maintain and operate the premises in an acceptable and professional level. These supplies shall include, but not be limited to:

- a. All necessary equipment, including mowers, sprayers, golf-carts, aerifiers, utility vehicles, seeders, top dressers and appurtenant tools; together with tee towels, soap, ball washers, putting green cups, flags, benches, trap rakes, tractors, tee markers and mats, trash receptacles, cleat brushes, and all other pertinent golf course equipment.
- b. All necessary gas, oil and parts for equipment.
- c. All necessary top dressing, seed, fertilizers, fungicides, insecticides, and herbicides.
- d. All parts necessary for the repair and maintenance of all irrigation systems, including, but not limited to pumps, clocks and sprinkler heads, pipe lines and wells as applicable.
- e. Materials necessary for the maintenance of drains
- f. Sand for sand traps as necessary.

The Lessee shall perform all routine maintenance and repair to keep the premises, together with the equipment therein, in a safe, sanitary and usable condition, including but not limited to cleaning, removal of debris, litter and obstructions, painting inside buildings, replacing light bulbs, fuses and/or circuit breakers, and other electrical, building and plumbing repairs. The lessee shall supply all necessary restroom supplies for all restrooms on the premises.

The lessee shall manage the golf shop, food services and pro services, which shall include the following:

- a. Maintain an adequate supply of appropriate merchandise.
- b. Provide a golf cart rental service
- c. Organize and accommodate golf tournaments and special events on the premises.

5. **MERCHANDISING:**

5.1 Inventory. The Lessee shall submit to the Park Manager for review and approval on or before April 1 of each year of this Lease, a "Price List" describing each major category of merchandise and service, and the price range or rental rates of each category as compared to the previous year of concession operation. The price of each service and rental product provided by the concession is subject to prior approval by the Park Manager. All prices must be displayed in a conspicuous location. State Parks reserves the right to limit or disapprove of certain merchandise and/or services and/or their proposed sales prices or rental rates.

6. **FEES:** The Lessee shall pay fees as follows:

6.1 **Initial Fee.** An initial/renewal fee of \$ (negotiable) is due for this lease.

6.2 Lease Fees. In payment for the ability to operate the premises as described in Attachment "A," the lessee shall pay to State Parks the following fees Lessee shall pay to State Parks rent on the gross annual revenue, due on the fifteenth (15<sup>th</sup>) day of November each year. Said rent shall be [add negotiated percentage] of gross revenue collected during the period of operation. The formula for calculating rent is total gross revenue, exclusive of sales tax collected, times the negotiated percent. Lease fees are subject to Leasehold Excise Tax, as detailed in Exhibit B General Conditions.

7. **PERFORMANCE BOND:** State Parks agrees to waive the Performance Bond at the signing of this agreement; however, Lessee shall at State Parks sole discretion at any time during the duration of this contract, procure, maintain in full force, and provide proof to State Parks of a performance or surety bond, savings account assignment, or letter of credit in the amount of at

least Ten Thousand (\$10,000) dollars as assurance that Lessee will perform all the terms of this Lease to the satisfaction of State Parks. This provision shall survive the expiration or termination of this lease to the extent it applies to post-expiration or post-termination responsibilities of Lessee.

8. **NOTICE AND SUBMITTAL:** Any notice or submittal given under this Lease shall be deemed to be received within three (3) days after mailing. Changes of address may be given in accordance with this section. Any notice or submittal given under this Lease shall be sent to:

To State Parks:

Washington State Parks and Recreation  
Commission  
Attn: Programs and Services Manager  
Eastern Region Headquarters  
2201 North Duncan Drive  
Wenatchee, Washington 98801-1007

To the Lessee:

[Add lessee address]

9. **GENERAL TERMS AND CONDITIONS:** This concession lease is subject to all foregoing terms and conditions as agreed, as well as to the Exhibits attached hereto and incorporated herein by reference. All the terms and conditions herein and throughout this lease are agreed to as part of the original consideration exchanged for this lease. The parties have specifically negotiated and agree that part of the consideration of this lease includes the right reserved unto State Parks to unilaterally modify or amend, from time to time, the exhibits attached to and made a part of this lease. In such an event, State Parks shall notify the Lessee in writing. The modifications shall become a part of this lease as though fully set forth herein and shall become effective thirty (30) days after notice to Lessee. In the event Lessee objects to the unilateral modification by State Parks, Lessee may elect to terminate this lease. In such an event, Lessee must notify State Parks in writing of Lessee's election to terminate the lease prior to the effective date of the modification; otherwise, Lessee will be deemed to accept such modification.
10. **ENTIRE AGREEMENT:** This Lease, including the exhibits and attachments and the State Parks Concessions Policy (incorporated herein by reference), is the entire agreement of the parties, and shall become final upon execution by State Parks. It may not be modified except by mutual written agreement of the parties hereto or as otherwise provided herein.

LESSEE:

By: \_\_\_\_\_  
Name of lessee Date

WASHINGTON STATE PARKS AND RECREATION COMMISSION:

By: \_\_\_\_\_  
Judy Johnson, Deputy Director Date

PREPARED BY:  
FORM ONLY:

REVIEWED BY:

APPROVED AS TO

\_\_\_\_\_  
Gary Long, Manager  
Programs and Services

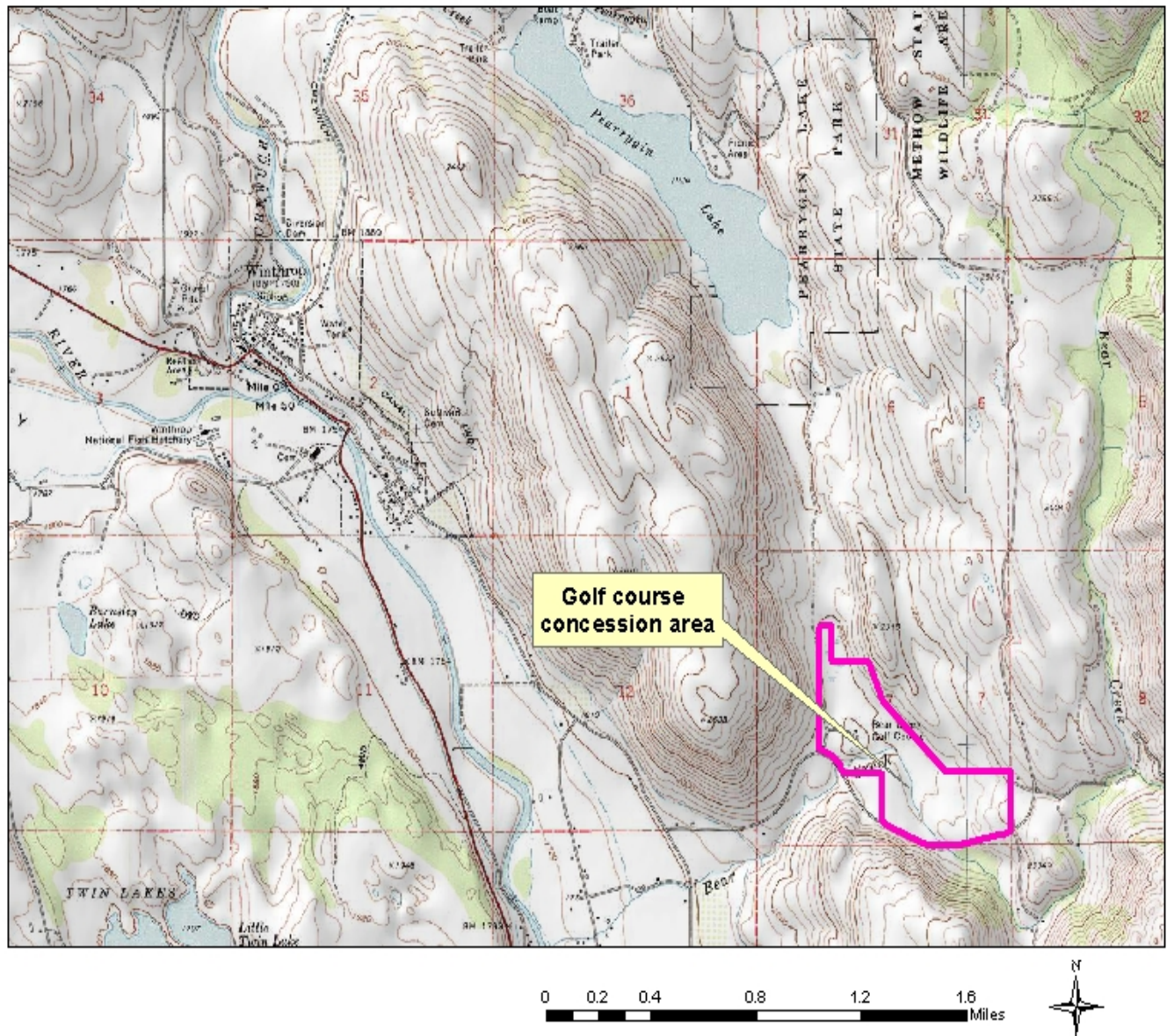
\_\_\_\_\_  
Contracts Manger

Dorigen Hofmann, AAG 4/4/2006  
OFFICE OF THE                      Date  
ATTORNEY GENERAL

Attachments:

Attachment A	Lessee's response to the RFP
Exhibit A	Schematic of Concession Premises
Exhibit B	General Terms and Conditions for Concession Contracts
Exhibit C	Concession Lease Schedule of Liquidated Damages

## EXHIBIT A – SCHEMATIC OF CONCESSION PREMISES



## **EXHIBIT B - GENERAL TERMS AND CONDITIONS FOR CONCESSION CONTRACTS**

### **1. FINANCIAL REPORTING**

- 1.1 Place of Payment. The Lessee shall submit their Concession Operation Report, any additional required information, and payments by check or money order to the address listed herein.
  - 1.1.1 Manner of Payment. Lessee shall submit payments by check or money order. Payments may also be made to State Parks by electronic funds transfer, per arrangement through State Parks' Financial Services Office.
  - 1.1.2 Leasehold Excise Tax. The Lessee shall also pay to State Parks the leasehold excise tax as set forth in Chapter 82.29A RCW (Leasehold Excise Tax) as now or hereafter amended. The current rate is 12.84% of the fee paid to State Parks. The tax is due and payable by separate check at the same time as the fees charged herein are due and payable, and shall be paid by delivering a check or money order made payable to the State of Washington, and delivered to the address listed herein.
- 1.2 Pre-Opening Reports. Lessee must provide to State Parks its Unified Business Identifier (UBI) number, its Price List, and Cash Handling Procedure prior to initial opening. Annually thereafter Lessee shall submit its Price List, and cash handling procedure, as described herein by each April 1st.
- 1.3 Daily Cash Handling Procedure.
  - 1.3.1 Lessee's transaction receipting system is subject to the approval of State Parks. The Lessee shall provide to State Parks prior to annual opening a description of the transaction receipting system and/or Cash Handling Procedure to ensure safe and accurate accounting of all monies. At a minimum, the transaction receipting system must include pre-numbered duplicate receipts and include one copy for the payee, the other for the Lessee. All transactions are to be documented by issuance of a receipt or through cash registers or automated cashiering systems. At a minimum, the receipt is to provide date, amount, and mode of payment. The receipts shall be retained by Lessee for six (6) years from the date of their creation.
  - 1.3.2 A record of total gross daily sales shall be made available to park staff upon request for review and/or audit.
  - 1.3.3 Lessee may at its sole discretion accept customer payments via credit card and debit card.
- 1.4 **Review and Audit.** State Parks reserves the right to review and/or audit Lessee's records at any time. Lessee shall maintain a true account of all receipts and disbursements. Lessee shall make available for review any and all financial and accounting records related to the operations under this lease, including but not limited to individual transaction receipts, daily records of gross sales, annual financial statements (balance sheet and income statement), and Excise Tax Returns submitted to the Washington State Department of Revenue. State Parks may require a review or audit of Lessee's books and records by an authorized independent certified public accountant. If such review or audit shows a discrepancy in gross sales of ten percent (10%) or more, Lessee must pay for the cost of the review or audit to be eligible to continue the concession agreement; if less than ten percent (10%), the cost of the review or

audit will be borne by State Parks. Failure to properly report all gross revenue may be grounds for termination of this Agreement as provided herein.

- 1.5 Charges for Late Payments and NSF Checks. Notwithstanding State Parks' right to terminate this Agreement for nonpayment of fees, Lessee shall pay interest at the rate of one percent (1%) per month on delinquent fees, rent or other sums owing under the terms of this Lease, commencing the date originally due. Payment of fees when due is required under this Lease and this section does not constitute or imply the extension of credit by State Parks. There shall also be a thirty dollar (\$30.00) handling fee for any check returned by the bank as uncollectible for any reason. The parties agree that such charges represent a fair and reasonable estimate of costs incurred by State Parks by reason of late payments and uncollectible checks.

## 2. LESSEE EQUIPMENT

- 2.1 Equipment Maintenance. The Lessee shall furnish and maintain, in good working order and at its own expense all necessary equipment for providing concession services beyond any equipment, fixtures or furnishings provided by State Parks at its sole discretion. State Parks shall have no responsibility for the loss or damage to Lessee's equipment and supplies. To mitigate the potential of loss through theft or malicious mischief, Lessee shall store equipment off park property during off-season periods, unless otherwise permitted in writing by the Park Manager.
- 2.2 Equipment Replacement. Lessee shall maintain equipment provided by State Parks, but State Parks shall replace said equipment as needed unless due to the negligence of Lessee. Lessee shall maintain any Lessee-owned equipment and shall replace, at its own expense, any of its own equipment that is not in good working order or as may otherwise pose a hazard. Equipment purchased by the Lessee shall remain the personal property of the Lessee. The cost of equipment replacement or repair shall in no way reduce or offset the lease payments due to State Parks under the Concession Lease.
- 2.3 Watercraft Rental. If watercraft rentals are approved by State Parks, the Lessee shall provide Coast Guard approved flotation devices to all watercraft rental customers and shall require in rental agreements and in practice their use by all persons in or on the watercraft as a condition of rental. The sale, rental, or provision of flotation devices not approved by the U.S. Coast Guard is prohibited.

## 3. LESSEE QUALIFICATIONS

- 3.1 **Qualifications of Lessee and Concession Personnel.** The Lessee and the Lessee's employees shall be qualified to operate and maintain the service unit(s) and equipment based on the sale and service items listed in the Price List referenced herein.
- 3.2 **Service and Personnel.** Lessee and Lessee's employees shall perform in a businesslike and courteous manner and strive to provide quality service to park visitors. Lessee and employees must be in possession of all required health or food and/or alcohol handling permits and must at all times when on duty wear a name tag and clothing approved by State Parks in order to be recognized as employees of the Lessee.
- 3.3 **Background Check.** Lessee and its employees performing under this Lease shall be subject to criminal background checks prior to employment, at State Parks discretion, and Lessee shall be subject to credit background check(s), performed by State Parks.

3.4 Lessee's Employees. Reference to Lessee's employees throughout this section shall include employees and agents of Lessee. The Lessee and its employees or agents performing under the Concession Agreement are not employees or agents of State Parks. The Lessee and its employees shall neither represent themselves as nor claim to be officers or employees of State Parks or the state of Washington by reason hereof, nor will they make any claim of right, privilege or benefit which would accrue to a civil service employee under state law.

4. **INDEMNITY.** To the fullest extent permitted by law, the Lessee shall indemnify, defend and hold harmless State Parks, its employees, officers, and agents, and agencies of the State from and against all claims arising out of or resulting from operations on the Premises. "Claim" as used in this Lease means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorney's fees, attributable for bodily injury, sickness, disease or death, or injury to or destruction of tangible property including loss of use resulting therefrom. Lessee's obligation to indemnify, defend, and hold harmless includes any claim by Lessee's agents, employees, representatives, or any subcontractor or its employees. Lessee waives its immunity under Title 51 RCW to the extent it is required to hold harmless State Parks and its officials, agents, or employees.

## 5. **INSURANCE**

5.1 Liability Insurance. During the entire term of this Lease, the Lessee shall keep in force a commercial general liability insurance policy, acceptable to State Parks, insuring the Lessee and providing coverage for liability for both bodily injury and property damage arising out of the Lessee's actions, omissions, operations, or use of the premises in the above state park or under this Lease. Said commercial general liability insurance policy shall also name State Parks as an additional insured under the policy and provide coverage as well against any liability arising out of the use, occupancy, or maintenance of the premises and all areas appurtenant thereto, including liability arising out of the retail sale and use of food, beverage and grocery items, gifts, souvenirs, camper supplies, the retail sale, rental and use of recreational equipment and the rental of boats and other watercraft. Such insurance must be provided on an occurrence basis of not less than one million dollars (\$1,000,000) combined single limit per occurrence, with a general aggregate limit of not less than two million dollars (\$2,000,000). Purchase of these minimum limits does not relieve the Lessee from liability for losses greater than these amounts. The amount of the insurance required may hereafter be increased or decreased by written notice of State Parks at its sole option. A certificate evidencing such coverage referencing this state park and lease shall be provided to State Parks at its address of record provided herein. All policies shall carry a thirty (30) day notification of cancellation clause and shall further specify that any legal expenses incurred by any claim against the insured shall be covered over and above said liability limit, such that said liability limit represents a 'net' liability limit. In the event insurance containing such specifications cannot be acquired, then the Lessee shall purchase insurance with liability limits which are fifty percent (50%) higher than set forth above.

5.2 Industrial Insurance Coverage. The Lessee shall provide or purchase industrial insurance coverage as required by the Department of Labor & Industries for itself and its employees prior to performing work under this Lease. State Parks will not be responsible for payment of industrial insurance premiums or for any other claim or benefit for the Lessee, or any subcontractor or employee of the Lessee, which might arise under the industrial insurance laws during the performance of duties and services under this Lease.

- 5.3 Automobile Insurance. Contractor shall maintain business auto liability as required by state law and, if necessary, commercial umbrella liability insurance with a limit not less than one million dollars (\$1,000,000) per accident. Such insurance shall cover liability arising out of "Any Auto."
- 5.4 Fire Insurance. Unless expressly waived in the special terms and conditions, the Lessee purchase and shall keep in force an insurance policy for fire and casualty. The insurance shall be a fire legal liability policy in the amount of full replacement value or fifty thousand dollars (\$50,000), whichever is higher, naming State Parks as the beneficiary. The amount of insurance required may hereafter be increased or decreased at the option of State Parks. All policies shall carry a minimum thirty (30) day notification of cancellation clause.
- 5.5 Evidence of Insurance. At its sole expense, Lessee shall secure and maintain in effect all necessary insurance required herein and as otherwise typical or customary for the operations permitted herein. Lessee must furnish evidence of required insurance in the form of a Certificate of Insurance satisfactory to State Parks (such as ISO form CG 00 01 or equivalent), executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth herein, and shall be sent marked "Concessions Program" to State Parks' address shown herein.
- 5.6 Cancellation. The Certificate(s) of Insurance must provide a minimum of thirty (30) days written notice to State Parks by the insurer before cancellation, non-renewal, or any material change of any insurance coverage included therein. No reduction in the amount of coverage shall be made without the prior written approval of State Parks.
- 5.7 Additional Requirements.
- 5.7.1 All policies must name the State of Washington, Washington State Parks and Recreation Commission, as additional insured and identify the State Park where the concession is located.
- 5.7.2 All insurance policies must indicate that Lessee's policy provides primary insurance coverage.
- 5.7.3 All insurance policies must provide liability coverage on an occurrence basis unless otherwise specified in this Lease.
- 5.7.4 Policies required herein must be written by an insurer admitted and licensed by the Insurance Commissioner to do business in the State of Washington, with a Best's rating of B plus (B +) or better.
- 5.8 Independent Contractors. Lessee shall require all independent contractors to maintain at the minimum the same insurance coverage while performing work on the Premises.

## 6. **MANAGEMENT**

- 6.1 Management. The concession Premises and all improvements thereon shall be managed and maintained in accordance with the customary standards of the industry, and the Lessee shall perform all work and furnish all labor, equipment and materials sufficient for the operation of the concession. In the event State Parks incurs or pays any expense that Lessee is obligated to pay under this Lease, or which is made on behalf of Lessee, State Parks shall be entitled to receive reimbursement thereof from Lessee upon demand.

- 6.2 Lessee Access. The Lessee shall have access to and from the Premises over established park roads and driveways during all normal park operating hours, and during other times as may be approved by the Park Manager. The Lessee may park vehicles and equipment only in those areas designated by the Park Manager.
- 6.3 Maintenance. The Lessee will perform all routine maintenance and repairs to keep the Premises, facilities and assigned areas, together with the equipment therein, in a safe, inviting, sanitary and usable condition. This includes but is not limited to cleaning; removal of debris, litter and obstructions; painting the inside of buildings; replacing light bulbs; and performing other minor interior maintenance, electrical and plumbing repairs. Lessee must immediately notify Park Manager in writing of any maintenance needs in the Premises that are not the responsibility of Lessee. Major maintenance and repair necessitated by the failure of the Lessee to accomplish routine maintenance and repair shall be the responsibility of the Lessee.
- 6.4 Damage. The Lessee, at its own expense, shall correct to State Parks' satisfaction any damage to State Parks' property resulting from actions or omissions by the Lessee. This includes but is not limited to structural, electrical or plumbing damage caused by the concession operation. State Parks may correct damage not corrected by Lessee and the associated costs incurred shall be reimbursed by Lessee.
- 6.5 Utilities. The Lessee will pay the cost of any utility service provided by State Parks for the operation of the lease. The Park Manager will establish the rate charged for un-metered use.
- 6.6 Signs and Advertisements. All signs of Lessee, whether affixed to State Parks' facilities, or placed upon or adjacent to the Premises, or used in any manner by the Lessee, must fit into the park's aesthetics and agency sign policy, and shall be subject to the Park Manager's prior approval.
- 6.7 Permits and Licenses. Lessee shall obtain and keep in force all permits, licenses, permissions, consents, and approvals required by governmental agencies or third parties in connection with Lessee's permitted use, including construction of any improvements, changes, alterations, additions, repairs, or maintenance to the Premises. Application for Permits shall be at the sole risk, cost and expense of Lessee. A copy of UBI licensing must be submitted to State Parks prior to commencing operation, and copies of all other permits shall be supplied to State Parks upon request. Lessee shall pay on a timely basis all taxes as may be lawfully imposed and will comply with all applicable local, state and federal licensing requirements and standards necessary in the performance of this agreement.
- 6.8 Sanitation. The Lessee will be responsible for the cleanliness of the Premises, including all facilities, equipment, appliances, storage areas, and grounds used by Lessee. Lessee will be responsible for removal and disposal of all garbage and refuse generated in the operation of the concession provided under this Lease. Lessee will also be responsible for disposal of all garbage and refuse in the area adjacent to the Premises as designated by the Park Manager. Lessee will use recyclable food and beverage containers as practicable, and shall participate in State Parks' recycling programs. Lessee shall promptly provide to the Park Manager a copy of every health department inspection report conducted by or on behalf of any governmental authority.
- 6.9 Continuity of Public Points of Contact. It is agreed that the published points of contact by which the public may reach the Lessee to conduct business permitted herein shall upon execution of this lease become and /or remain the property of State Parks. Lessee shall provide such notice

to the respective owner or assigning authority of said point(s) of contact. It is agreed that the convenience of the public in contacting the State Park concession is of primary importance, and hence the public shall not be deprived of such customary points of contact due to the transfer or change of Lessee or other concession management. It is agreed that any and all rights to the points of contact inure to the concession Premises as opposed to the Lessee, and as such do not accrue economic value, appreciation, or any other property right to the Lessee. Lessee shall bear the cost of maintaining any such points of contact but agrees that any such expense does not constitute an ownership or property or other right. This provision shall survive the expiration or termination of this lease.

6.9.1 Transfer of Telephone Numbers. Upon termination or expiration of this Lease, all telephone and fax numbers assigned to the concession shall remain with the concession Premises and become assigned to State Parks or its designee. The Lessee shall be responsible for any telephone hookup, service and use or other fees appurtenant to the concession premises. The Lessee shall waive any claim against State Parks for any interruption of telecommunications service(s). This concession lease shall serve as Lessee's authorization for its telecommunications service providers to transfer service and concession-related telephone numbers to State Parks or its designee, upon written notice by State Parks to said provider(s) at any time, without additional consideration from State Parks and without further authorization by Lessee. Lessee shall remain responsible for any prior charges incurred in the use of said service. Lessee shall be responsible for all costs attendant to the use of this address. This provision shall survive the expiration or termination of this lease.

6.9.2 Postal Addresses. Post Office Boxes and street addresses to which the public may contact the Lessee to conduct business permitted herein are subject to the prior written approval of State parks and shall upon execution of this lease become and /or remain the property of State Parks. Lessee shall provide such notice to the owner or assigning authority of said point(s) of contact. Lessee shall be responsible for all costs attendant to the use of this address. This provision shall survive the expiration or termination of this lease.

6.9.3 Uniform Resource Locators (URLs) and Top Level Domains. Uniform Resource Locators, Top Level Domains, and other Internet homepage addresses by which the public may contact the Lessee to conduct business permitted herein shall upon the later of execution of this lease or establishment of point of contact become and /or remain the property of State Parks. Lessee shall provide such notice to the owner or assigning authority of said point(s) of contact. Lessee shall be responsible for all costs attendant to the use of this address. This provision shall survive the expiration or termination of this lease.

## **7. HAZARDOUS, TOXIC, OR HARMFUL SUBSTANCES**

7.1 Storage. Lessee shall not keep in, on, or about the Premises, any substances now or hereinafter designated as or containing components designated as hazardous. For purposes of this Lease, hazardous substances include toxic, dangerous, or harmful substances. Materials identified as hazardous are to be transported, stored and handled in accordance and compliance with the provisions of applicable federal, state, and local law, including but not limited to, 42 U.S.C. 6901 et. seq. (RCRA), 42 U.S.C. 9601 et. seq. (CERCLA), Chapter 70.105 RCW, and related laws, rules, and regulations now in existence or as subsequently enacted or amended.

7.2 Notification. Lessee shall immediately notify State Parks of all spills or releases of any Hazardous Substance in, on, about, or adjacent to the Premises and all cleanup and remediation action taken in response to spills or releases. Lessee shall report all inspections of

the Premises by, or any correspondence, orders, citations, fines, or notifications from, any regulatory entity concerning Hazardous Substances in, on, about, or adjacent to the Premises.

7.3 Documentation. Prior to the arrival of any hazardous substances on park property, Lessee shall provide to State Parks notice of its intent to provide said materials and copies of all documents written or received by the Lessee with respect to the use, presence, transportation or generation of Hazardous Substances in, on, about, or adjacent to the Premises.

7.4 Liability. Lessee is liable for all cleanup costs and damages associated with the use, disposal, transportation, or generation of hazardous substances by Lessee or its employees, agents, assigns, contractors, subcontractors, licensees or invitees. This provision shall survive the termination of the lease.

## 8. **RESERVED RIGHTS**

8.1 State Parks Reserved Rights. State Parks reserves the right to merchandise, through vending machines or other means, at any location within the park excluding the concession Premises, certain items including but not limited to snacks, beverages and educational, recreational and interpretive materials, as well as official State Parks' memorabilia. It further reserves the right to grant privileges on occasion to certain non-profit groups to sell such materials for fund raising purposes.

8.2 Compliance. State Parks shall have access to the Premises at all times to secure compliance with the Lease.

## 9. **PARK CLOSURE**

9.1 Park Closure. The Lessee hereby waives any claim against State Parks for any losses suffered or allegedly suffered due to change of fees, park operating periods or conditions, or closure of the Park for any reason.

## 10. **ASSIGNMENT**

10.1 Assignment/Transfer. The rights granted under this Lease may not be transferred to any other person or entity by act of Lessee, operation of law, or other means without the expressed prior written approval of State Parks at its sole discretion. Lessee shall not mortgage, assign, encumber, transfer, sublease, or otherwise alienate this Lease without the prior written approval of State Parks at its sole discretion. Lessee shall not grant any interest therein or engage in any other transaction that has the effect of transferring or affecting the right of enjoyment of the Premises without the prior written approval of State Parks, at its sole discretion.

10.2 Cost. Lessee shall reimburse State Parks for its direct and indirect costs associated with any Lease assignment, whether or not such assignment is consummated. Any assignment approval shall be conditional in part upon State Parks' receipt of such reimbursement from Lessee for its costs as invoiced, subject to a minimum charge of one hundred dollars (\$100.00).

10.3 Non-Waiver. Consent of State Parks to an assignment will not waive its right to approve or deny subsequent assignments. The acceptance by State Parks of payment or performance following an assignment shall not constitute consent to any other assignment, and State Parks' consent shall be evidenced only in writing.

- 10.4 Assignee Obligations. Each permitted assignee of Lessee shall assume and be deemed to have assumed all obligations of Lessee under this Lease. Notwithstanding any such assignment, Lessee shall be and remain jointly and severally liable with the assignee for all obligations under this Lease, unless released in writing by State Parks. Lessee's obligations shall continue in full force and effect as to include any additional obligations created by any renewal, amendment, modification, extension or assignment of the Lease, whether or not Lessee shall have received notice of or consented to the same. Lessee waives all surety defenses and waives notice of any breach by a subsequent assignee.
- 10.5 Corporations, General Partnerships, Limited Partnerships. If Lessee is a corporation, any merger, consolidation, liquidation, or any change in ownership, control or the power to vote the majority of its outstanding voting stock, shall constitute an assignment, whether the result of a single transaction or a series of transactions. If Lessee is a general partnership, the death, withdrawal or expulsion of a partner or partners owning, or transfer of interests representing, in the aggregate more than fifty percent (50%) of the partnership profits or capital shall constitute an assignment, whether the result of a single transaction or a series of transactions. If Lessee is a limited partnership, the death, withdrawal or expulsion of any general partner shall constitute an assignment.

## **11. IMPROVEMENTS**

- 11.1 Authorized Improvements. The Lessee may, at no cost to State Parks, make improvements, additions or modifications to the buildings, facilities, and other premises provided by State Parks to enable provision of the services as set forth in the Lease. The Lessee shall obtain all licenses and permits, and comply with all applicable codes, regulations and statutes. The Lessee shall supply such plans, drawings and specifications as needed by State Parks to evaluate the acceptability of any such improvements or additions prior to commencing work. State Parks may condition, limit or deny approval at its sole discretion, which approval shall be provided only in writing. Such improvements become the property of State Parks upon completion unless otherwise agreed upon in writing in advance.
- 11.2 Development Plan. Prior to any development or the construction of any and all improvements on the Premises, the Lessee must submit a complete development plan to State Parks for its written approval. The plan shall include, but is not limited to, the following: (1) Map showing areas to be developed, location of improvements and location of utility and other easements; (2) Land clearing, leveling, erosion control plans; (3) List of proposed improvements and detailed plans for the improvements; (4) Estimated itemized cost of proposed improvements; and (5) Schedule of completion dates for proposed improvements. After completion of construction, Lessee shall provide to State Parks "as-built" drawings showing the exact location of all facilities. In case of incomplete improvements or development, Lessee shall restore the land to its original condition unless otherwise directed in writing by State Parks.
- 11.3 Unauthorized Improvements. All improvements not included in the original or amended development plan as approved by State Parks, or as provided for by Letters of Authorization issued by State Parks, made on or to the site, without the written consent of State Parks, shall immediately become the property of State Parks or at State Parks' option, must be removed by the Lessee at the Lessee's sole cost. Said removal shall occur within thirty (30) days unless sooner required by Park Manager for reasons of safety.
- 11.4 Fixtures and Equipment. Upon approval of State Parks, Lessee may place or install on the Premises such trade fixtures and equipment as Lessee deems desirable for the conduct of

business therein. Personal property, trade fixtures, and equipment used in the conduct of business by Lessee and placed by Lessee on the Premises shall not become part of the real property, even if nailed, screwed or otherwise fastened to the Premises. Such personal property may be removed by Lessee at any time during the term of the lease, or within thirty (30) days of the expiration or termination of the Lease, provided Lessee is not in default under the Lease, and provided any damage to the Premises occasioned by such removal is immediately repaired to the satisfaction of State Parks. All other fixtures, equipment, and improvements constructed or installed upon the Premises shall be deemed to become part of the real property and, upon completion, shall become the sole and exclusive property of State Parks, free of any and all claims of Lessee or any person or entity claiming by or through the Lessee. In the event Lessee does not remove its personal property and trade fixtures within thirty (30) days of the expiration or termination of this Lease, State Parks may at its sole election: (1) require Lessee to remove such property at Lessee's sole expense, and Lessee shall be liable for any damage to the Premises; (2) treat said personal property and trade fixtures as abandoned, retaining said properties as part of the Premises; or (3) have the personal property and trade fixtures removed and stored or disposed of at Lessee's sole expense. Lessee shall promptly reimburse State Parks for damage caused to the Premises by the removal of personal property and trade fixtures, whether removal is by Lessee or State Parks.

- 11.5 State Parks Modification/Improvement of the Park or Premises. State Parks may at any time, at its discretion and expense, make any and all improvements to, or repairs, maintenance and/or modifications of the Park or the Premises which it deems necessary or desirable to protect or serve park users, or which generally enhance the park. The Lessee hereby waives any claim against State Parks for any loss of income suffered or allegedly suffered by the Lessee from State Parks' improvement to, or repairs, maintenance and/or modification of the Park Premises.
- 11.6 Condition at End of Lease Term. Prior to vacating the Premises, the Lessee shall leave the Premises and all State-owned improvements thereon in the state of repair and cleanliness as required during the term of this Lease.
- 11.7 Surety Bond. A surety bond, savings account assignment, or letter of credit may be required to assure completion of construction or development and removal of any improvements costing in excess of two-thousand five hundred dollars (\$2,500).

## 12. **TERMINATION.**

- 12.1 Default. If the Lessee breaches or defaults on any undertaking, promise or performance required herein, whether material or not, the State may cancel this lease after the Lessee has been given ten (10) days notice of the breach and such breach has not been corrected within such time. However, if such default is non-monetary in nature, and as determined by State Parks, is not reasonably susceptible of being cured within ten days (provided that the lack of funds or the failure or refusal to spend funds shall not be an excuse for a failure to cure), Lessee shall commence to cure such default within the ten-day period and diligently pursue such action with continuity to completion. Upon such cancellation, all improvements on the Premises shall be forfeited and become the property of State Parks subject only to any previously approved waiver of interest or security interest, and Lessee shall immediately deliver up possession of the Premises to State. The State may seek damages for any and all breaches with or without canceling this lease. In the event the State deems the breach to constitute a threat to safety, life, or property, it may elect to intervene immediately, without notice, to remedy the breach, and the Lessee hereby agrees to repay the State for all costs in

remedying the breach upon demand, together with interest thereon from the date of expenditure at the rate set forth in this lease. Alternatively, the State may require the Lessee to act immediately to remedy the breach should the State deem it a threat to safety, life, or property.

- 12.2 State Park Entry. In the event of any default by Lessee, State Parks shall have the right, with or without canceling the Lease, to secure and/or enter the Premises and to remove all persons and property from the Premises and take whatever actions may be necessary or advisable to relet, protect or preserve the Premises. Any property so removed may be stored in a public warehouse or other suitable place or otherwise disposed of in State Parks' discretion at the expense and for the account of Lessee. State shall not be responsible for any damages or losses suffered by lessee as a result of such State Park entry, removal, storage or other disposition, and no such action shall be construed as an election to terminate this Lease unless a written notice of termination is given to Lessee.
- 12.3 Liquidated Damages. State Parks may assert, and Lessee shall pay if so asserted, liquidated damages for any repeated failure to perform the terms and conditions of this Agreement. After the first offense as documented by State Parks to Lessee, the next subsequent offense of similar nature may be assessed twenty-five dollars (\$25.00), and any further incidents of similar nature shall be assessed the value of their damage to State Parks with a minimum of one hundred dollars (\$100.00) per incident. Such incidents may include but are not limited to those enumerated in Exhibit C, which is incorporated herein by reference.

In the event Lessee either (1) abandons the concession, or (2) fails to perform the obligations set forth herein such that the purpose of this agreement is not fulfilled, both parties acknowledge that it may be difficult to calculate the damages sustained by State Park. Therefore, in such an event, in addition to any other rights and remedies accruing to State Parks as set forth herein, and any other damages that State Parks may be able to establish, Lessee shall pay liquidated damages in the sum of two thousand five hundred dollars (\$2,500), which sum may be satisfied from the performance bond as required elsewhere herein.

- 12.4 Termination of Agreements. Whether or not State Parks elects to terminate this lease on account of any default by Lessee and subject to any non-disturbance and attornment agreements, if any, State Parks shall have a right to terminate any and all subleases, licenses, concessions or other arrangement for possession affecting the Premises. Alternatively, State Parks, in its sole discretion, may succeed to Lessee's interest in such sublease, license, concession or arrangement, and Lessee shall have no further right to or interest in the lease or other consideration receivable thereunder.

### 13. MISCELLANEOUS

- 13.1 Venue. Venue for any litigation arising out of this Lease will be brought in the Superior Court of Thurston County, Washington. Any litigation wrongly filed in any other county shall be transferred by court order to the Superior Court of Thurston County with the plaintiff to pay all related attorneys fees and court costs.
- 13.2. Governance. This Lease is entered into pursuant to and under the authority granted by the laws of the state of Washington and any applicable federal laws. The provisions of this Lease shall be construed to conform to those laws. In the event of an inconsistency in the terms of this Lease, or between its terms and any application statute or rule, the inconsistency shall be resolved by giving precedence in the following order:
- a) Applicable state and federal statutes and rules;

b) The Special Terms and Conditions;  
c) The General Terms and Conditions;  
d) Any other provisions of this Lease, including materials incorporated herein by reference.

- 13.3 Severability. If any provision of this Lease shall be deemed void or otherwise invalid for any reason, the remainder of the Lease shall be interpreted in a manner as to be effective and valid to the fullest extent possible. The parties further agree to amend this Lease to replace any stricken provision with a valid provision that comes as close as possible to the intent of the stricken provision.
- 13.4 Interpretation. This Lease is made under and is subject to the laws of the United States and the State of Washington in all respects as to interpretation, construction, operation, effect and performance, as well as the Washington Administrative Code, State Parks policies, and other federal, state, or local laws, regulations, and codes.
- 13.5 Non-discrimination. During the performance of this Lease, the Lessee shall comply with all federal and state nondiscrimination laws, regulations, and policies, including those of State Parks. In any written contracts Lessee makes with suppliers of goods or services, Lessee will insert the provisions of this paragraph so as to be applicable to the supplier.
- 13.6 Disputes. Whenever the Lessee and a successor, or the Lessee and State Parks, cannot agree, the matter at issue shall be submitted to arbitration and such arbitration shall be binding. Each party to the dispute will appoint one arbitrator who together will choose a third arbitrator. The arbitration shall be governed by the State Arbitration Act, contained in chapter 7.04 RCW.
- 13.7 Opportunity For Profit. Lessee has performed due diligence prior to entering into this lease, and agrees hereby that the terms and conditions as provided herein represent and provide a reasonable opportunity for profit.

**End of Exhibit**

**EXHIBIT C**  
**CONCESSION LEASE SCHEDULE OF LIQUIDATED DAMAGES**

<p><u>Liquated damages for contract violations:</u></p> <p>First violation: written notice.</p> <p>Second violation of same standard: twenty-five dollars (\$25.00)</p> <p>Each subsequent violation of same standard: the actual dollar value of damage upon State Parks in its sole determination, with a minimum of one hundred dollars (\$100.00).</p>			
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Monitor	Standard	Performance Measure	Correct by
Park	Operating Days & Hours	Open for business on time per contract	Immediately
Park	Appropriate inventory	Approved, in-stock, priced at market-rate	Next weekend
Park	Staffing	Neat, courteous, sufficient number, identifiable by dress code	Immediately
Park	Customer service	Courteous, helpful, every transaction rung-up	Immediately
Park	Equipment rental - availability	Training for use, safety checks, insurance, waivers	Immediately
Park	Safety	Operating procedures, customer service, maintenance, etc.	Immediately
Park	Maintenance per contract	Maintain facility per contract	Negotiated by Park & Lessee
Park	Sanitation - interior & exterior	Premises kept neat and orderly including grounds; refuse properly disposed	Immediately

Park/Region	On-Site Review	Annual, written on-site review to ensure compliance with contract requirements performed by either Park or Region Staff. Copy to Fiscal Office for official contract file.	As stated in written audit report
Park/Region	UBI Number prior to initial opening (Exhibit B 1.2)	Copy to Fiscal Office for official contract file	Immediately
Park/Region	Price List – approval prior to initial opening and on or before April 1 each year (Section 5.1 and Exhibit B 1.2)	All prices must be displayed in a conspicuous location.	Immediately

Region	Transaction receipting system (Exhibit B 1.3)	Copy of description of transaction receipting system and approval by State Parks prior to initial opening. Copy of description and written approval to Fiscal Office for official contract file.	Immediately
Region	Lessee/Park Mgr meetings	Participate regularly in scheduled meetings	Negotiated by Park & Lessee

Fiscal	Concession Operations Report and Payment of Fees (Section 6.2, Exhibit B 1.1 and 1.1.2)	Concession Operation Reports Due 11/15 with correct payment of lease fees and Leasehold Excise Tax	30 calendar days
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Concession Program Manager	Insurance certificate (Exhibit B 5.5)	Current at all times; new certificate due 14 days before old certificate expires. Copy to Fiscal Office for official contract file.	14 calendar days
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